

Striving to be a valuable company to everyone

Under the corporate motto of “Joy and Fun,” HORIBA intends to make its business grow by building good partnerships with all stakeholders. By this, HORIBA means it aspires to become a valuable company to everyone.

HORIBA Group CSR Policy Promoting CSR through operations

Based on its commitments to energy, human health, the environment and safety, HORIBA will pursue corporate initiatives to contribute to the realization of “a life of content for all.”

We formed the HORIBA Group CSR Promotion Committee in April 2005 in order to promote group-wide CSR activities. The committee, which is chaired by Dr. Kozo Ishida, Executive Vice Chairman of HORIBA, Ltd. and participated in by four directors in charge of CSR at the four group companies in Japan, decides on CSR policy and priority measures. Each of the group companies has its own CSR Promotion Committee where the policy and measures decided by the HORIBA Group CSR Promotion Committee are implemented, and our social contributions concerning education, the environment, local communities, and other areas are compiled and reported.

Signed the United Nations Global Compact

In agreement with the ten principles in the areas of human rights, labor, the environment, and anti-corruption, which the Global Compact (GC) of the United Nations sets forth for companies within their sphere of influence, HORIBA declared its concurrence to the UN's policy initiative in April 2011.

Actions taken to date in connection with the policy initiative are shown on the following page. In addition, we have joined the Global Compact Japan Network and is actively involved in committee work in the organization.

This is one more way whereby we are engaged in activities needed and useful to society.



Integrated Management System (IMS)

To provide customers with high-quality reliable products, HORIBA has adopted the IMS*, which is a combination of the Quality Management Systems ISO9001, Environmental Management Systems ISO14001, and Occupational Health & Safety Management System OHSAS18001. With this, we became the first Japanese company in the analysis and measurement industry to acquire the JQA Integrated Management System Certifications (JQA-IG0001-08) as Group IMS from the Japan Quality Assurance Organization, or JQA.

In February 2014, we also acquired certification for ISO22301, the international standard for Business Continuity Management Systems, in the medical area, which is directly related to human life, and established a system that can supply stable number of products even in the wake of an earthquake, accident, or various diverse risk events.

We will continue to embrace the IMS activities as we aim to enhance quality, the environment, occupational health & safety, and product supply systems, and strive to raise corporate value.



* IMS (Integrated Management System) is the integration of ISO, OHSAS, and other management systems as a single management system.

* HORIBA, Ltd. and HORIBA STEC Co., Ltd. have obtained Quality Management Systems for Medical Devices (ISO 13485) certification.

* Please visit HORIBA Report [WEB: G] for more details.

HORIBA's initiatives

For a company to achieve sustained business growth, it must be valuable to all stakeholders, which encompass not only those in business fields but also those in local communities, those concerned with the global environment, and suppliers. Further details of HORIBA's activities, which do not appear in the financial statements, are in the HORIBA Report Web Data Book.

HORIBA Report Web Data Book

<http://www.horiba.com/horibareport/data/>

Stakeholders	Themes	Major activities	
Society [WEB: A]	Contributing to Analysis and Measurement Industry, and Local Communities	Masao Horiba Awards; leadership in associations and groups; support for recovery from to the Great East Japan Earthquake	NEXT PAGE
	Employees' contribution to society	Publishing a technical report, Readout; participating community events; hosting interns; environmental preservation activities; environmental classes at schools	NEXT PAGE
	Unique corporate messages	Corporate advertisements in newspapers and magazines; "Gaiapress" (an information website on the environment, nature, space, and science)	
Environment [WEB: B]	Prevention and alleviation of environmental problems (GC Principles 7 & 8)	Popularize instruments for working with new material, new energy, next-generation vehicles R&D and of environmental monitoring systems; conserving resources and energy in production activities: waste water monitoring; chemical substance management; reduction in waste	
Suppliers [WEB: C]	Establishments of partnerships with production partner companies (GC Principle 10)	Conference with production partner companies; workshops on products and quality; plant tours; quality study group; World Skills International; QC workshops; Kaizen activity presentations; technical study groups	NEXT PAGE
Customers [WEB: D]	Improvement in customer satisfaction	Quality initiatives; customer support center; services by HORIBA Techno Service Co., Ltd.; organizing in-house technical exhibitions, Craftsmanship competition; initiatives to enhance efficiency	
	Develop Eco-design friendly products (GC Principle 9)	Evaluation of design for environment; response to various regulations; customer usability enhancement	NEXT PAGE
Owners* [WEB: E]	Responsibility to owners and investors	General Shareholder Meetings; informal get-together events with shareholders; IR briefings for institutional investors; IR visits (Europe, Americas, Asia); tours for investors at exhibitions; briefings for individual investors; timely information disclosure	
Employees [WEB: F]	Respect rights, personality, and individuality of employees (GC Principles 1-6)	Promote diversity through the HORIBA Stained Glass Project; HORIBA COLLEGE; various work systems; job posting system; sending trainees overseas; use of various hiring routes; office visits by employees' family members; communication with executives at employees' birthday parties	
	Ensure safe, healthy, pleasant workplaces for employees	Executives' workplace safety patrol; installation of the Health Management Office; seminars by obstetricians; promote health and near-mile diet by a nutritionist at cafeteria; safety and crime-prevention workshop; self-defense firefighters' training	

* HORIBA considers shareholders as important stakeholders and frequently calls them "owners".

Working together with society

Contributing to analysis and measurement industry and local communities

Masao Horiba Awards

The Masao Horiba Award, named after the founder of HORIBA Ltd., was established to promote research in the field of analysis and measurement technology by researchers working at universities or public research institutes in Japan and overseas. HORIBA has made awards to 37 promising researchers and engineers from 2004 to 2013 and has supported their activities. We hope the award will continue to serve as a source of motivation and encouragement for those winners.



Specific themes



- 2004: pH measurement
- 2005: Infrared related analysis and measurement technologies
- 2006: X-ray analysis
- 2007: Measurement technologies for cells or biological particles
- 2008: Measurement and analytical technologies related to internal combustion engines
- 2009: The analysis of the surface of material for the semiconductor and related industries
- 2010: In situ and continuous measurement of harmful airborne substances affecting human health, safety, and security
- 2011: Ultra high-sensitive or ultra high-speed analytical method and technology using electromagnetic radiation from the NIR to the X-ray
- 2012: Radiation measurement
- 2013: Measurement of water property
- 2014: Gas measurement



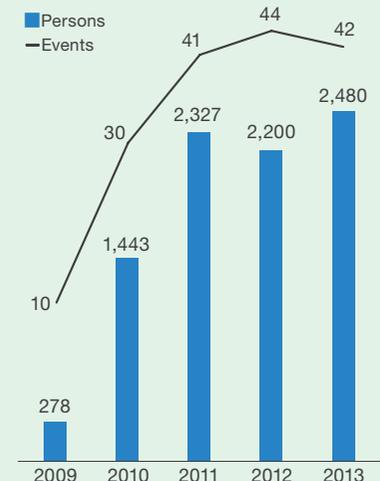
Ties to local community and employees' families

Based on HORIBA's wish to show children how interesting and important the science of "measuring" is, in 1994 the company started a program of enlisting employees to give talks at school or at events. HORIBA employees demonstrate scientific matters by using ordinary objects and materials from daily life and show pupils how plants and animals use their sensory capabilities, with the thought that some of these pupils may go on later in life to work with analytic technology.

So that the families of employees can better know what HORIBA does, HORIBA has held Open House events every year since 2003 and invited employees' families to visit the company offices or work sites. Up to 2013, 951 family members have accepted HORIBA's invitation. In this way HORIBA is working to assure the families that HORIBA is a great place to work.



The number of pupils who have been present at our classes, and the number of such events



Working alongside customers

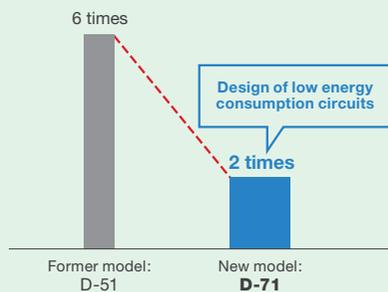
Considerate attention to products

Development of long-life, low-energy “Eco-design” products

HORIBA has adopted an internal standard to determine “Eco-design” products in order to provide products that reflect responsible product life cycles, such as, longer operating life and energy savings. This standard is used when developing new products. With social and economic matters such as the rise in energy costs, we use quantitative measurement to determine how products represent a reduction in energy requirements or a reduction in materials used. HORIBA’s “Eco-design” products target a 25% reduction compared to conventional models.

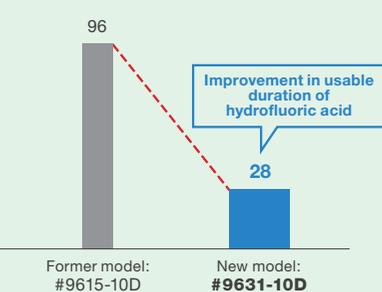
Reduction in annual number of batteries replaced

The number of batteries when using 5 hours/day X 240 days



Reduction in annual number of electrodes replaced

Calculation of electrode life when a 1% solution of hydrofluoric acid is used 2 hours/day for 240 days



“Eco-design” product
Portable pH/water quality meters
LAQUAact

Working together with suppliers

Establishment of partnerships with production partner companies

Increasing market shares together with suppliers during downturns

HORIBA considers the relationships we have built and maintained with our regular production partner companies as “Invisible Values.” Over the long term we have developed strong ties with these suppliers, which has enabled us to provide customers with high-quality products and reliable delivery scheduling. We are now increasing procurement on a global basis through our network of overseas companies. In Japan, in order to ensure continuation of our Win-Win relationships, we provide opportunities to share our thoughts and experience in business matters with the suppliers, and help them to develop the next generation of managers. The regular suppliers that have been doing business with HORIBA for 6 years or longer since 2008 is 777 (74% of a total of 1,055 suppliers). They have been able to prosper in good times and survive tough times, together with us. One reason we have been able to keep up with demand and increase our market shares, even during a period of a strong surge in demand, is that our relationships with these suppliers has enabled us to respond very quickly to customer demand.

Total number of production partner companies

1,055 companies

Of which have been with us for 6 years or longer

777 companies
(74%)